

# HOUSE . . . . . No. 2556

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By Mr. Guyer of Dalton, petition of Denis E. Guyer and Anne M. Gobi for legislation to prohibit the investment of pension or annuity funds of the Commonwealth in companies engaged in business with Sudan Public Service.

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## The Commonwealth of Massachusetts

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In the Year Two Thousand and Seven.

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### AN ACT REGULATING DIVESTMENT IN SUDAN.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1     SECTION 1. Chapter 10 of the General Laws is hereby  
2 amended by inserting after section 5C, as appearing in the 2002  
3 Official Edition, the following section:

4     Section 5D. (a) Notwithstanding any general or special law to  
5 the contrary, the assets of a pension or annuity fund under the  
6 jurisdiction of the treasurer and receiver general of the common-  
7 wealth shall not be invested in the stocks, securities or other  
8 obligations of a company which directly or through a subsidiary is  
9 engaged in business in or with Sudan or its instrumentalities.

10    (b) The treasurer shall take appropriate action to sell, redeem,  
11 divest or withdraw any investment held in violation of this act.  
12 This act shall not be construed to require the premature or other-  
13 wise imprudent sale, redemption, divestment or withdrawal of an  
14 investment, but such sale, redemption, divestment or withdrawal  
15 shall be completed within the following guidelines:

16    (1) Not less than 30 per cent of a retirement system's assets in  
17 such companies shall be divested later than 4 months after the  
18 effective date of this act.

19    (2) Not less than 60 per cent of the retirement system's assets  
20 in such companies shall be divested later than 8 months after the  
21 effective date of this act.

22    (3) Not less than 100 per cent of the retirement system's assets  
23 in such companies shall be divested later than 12 months after the  
24 effective date of this act.

25       (c) The treasurer shall file with the general court a report of all  
26 investments held as of the effective date of this section which are  
27 in violation this section. Annually thereafter, the treasurer shall  
28 report on all investments sold, redeemed, divested or withdrawn  
29 in compliance with this section.

30       Each report after the initial report shall provide a description of  
31 the progress made since the previous report in implementing sub-  
32 section (b).

33       (d) If it is determined by the treasurer that a company, which  
34 had previously been considered to have been engaged in business  
35 directly or through a subsidiary in or with Sudan or its instrumen-  
36 talities, has ceased business operations with Sudan or its instru-  
37 mentalities, then subsections (b) and (c) shall no longer apply to  
38 that company.

39       (e) In the event that the government of Sudan sufficiently halts  
40 the ongoing genocide in Darfur for at least 12 months, as deter-  
41 mined by the State Department of the United States, the treasurer  
42 shall inform the general court.

1       SECTION 2. Nothing in this act shall alter or diminish existing  
2 fiduciary or statutory obligations and other terms, conditions, and  
3 limitations on the investment of retirement system assets for the  
4 exclusive interest and benefit of participants and beneficiaries of a  
5 retirement system.

1       SECTION 3. The initial report required by subsection (c) of  
2 section 5D, inserted by section 1 of this act, shall be filed by the  
3 treasurer within 60 days of the effective date of this act.